

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6045

BILL NUMBER: HB 1299

NOTE PREPARED: Feb 17, 2007

BILL AMENDED: Feb 15, 2007

SUBJECT: Senior Fishing Licenses.

FIRST AUTHOR: Rep. Ulmer

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill exempts from fishing license and trout-salmon stamp requirements a resident born before April 1, 1943. It establishes a resident senior yearly license to fish at an annual cost of \$3. The bill establishes a resident senior "fish for life" license at a cost of \$17. For both licenses, the applicant must be at least 64 and must have been born after March 31, 1943.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The Department of Natural Resources (DNR) will experience an increase in administrative expenses associated with establishing new fees. However, it is expected that the DNR will be able to cover the costs of any additional administrative expenses given its existing resources.

Explanation of State Revenues: (Revised) *Summary.* If all anglers aged 64 purchase a \$17 fishing license, state revenue to the Fish and Wildlife Fund would remain constant; however, federal revenue would increase by an estimated \$44,240 in 2008. In 2009, federal revenues would increase to \$88,480. In 2010, total federal revenue would increase to \$132,720, with the 2011 total at \$177,140.

If all anglers aged 64 purchase a \$3 fishing license, state revenue to the Fish and Wildlife Fund would decline by \$78,000 (5,600 * (\$17 - \$3)) in FY 2008 and for each year thereafter for anglers turning 64 and purchasing the \$3 license; however, federal revenue would increase by an estimated \$44,240 in 2008. In 2009, federal revenues would increase to \$88,480. In 2010, total federal revenue would increase to \$132,720, with the 2011 total at \$177,140. The net revenue impact would be a reduction of \$33,760 in 2008; an increase of \$10,480 in FY 2009; an increase of \$54,720 in 2010; and an increase \$99,140 in 2011. Revenues would continue to increase thereafter.

Revenue from the sale of fishing licenses goes into the dedicated Fish and Wildlife Fund that is used to pay the operating expenses of the DNR Divisions of Law Enforcement and Fish and Wildlife.

Background: Under the bill, those 65 and older would continue to be exempt from fishing and trout-salmon stamp requirements. Those who were born before April 1, 1943, (64 or older) would be required to either purchase a \$3 annual license or pay \$17 for a "fish for life" license. Under existing law, those 64 would have to purchase an annual license which costs \$17. Basically, a license purchased by a 64 year old for \$17 would be the last license they would have to buy.

According to the 2000 U.S. Census, Indiana's resident population between 18 and 65 was 3.7 million. In 2005, 460,695 residents purchased a license. Based on these figures approximately 12% of the population purchased a license. Indiana's resident population between 60-64 was 235,675. Applying the 12% fishing population percentage to the 60-64 age bracket results in an estimated number of anglers in the 60-64 age bracket of 28,000.

State Fishing Revenue: Assuming that in the next year, 1/5 of this population turns 65, 5,600 anglers would not pay a license fee. This provision would have no impact because those 65 and older currently do not pay a fee. However, if 1/5 of the population or 5,600 turned 64, and if all these anglers purchased a \$3 licence, the state's revenue would decline by \$78,000 ($5,600 * (\$17 - \$3)$) for FY 2008 and for each year thereafter.

If all of the first contingent of anglers that turned 64 elected to purchase a "fish for life" license, as opposed to the \$3 annual license, the first contingent would generate \$95,000 in FY 2008. Revenue generated in FY 2009 would also equal \$95,000 if all anglers who turned 64 elected to purchase the \$17 "fish for life" license. However, this revenue would not be new because the anglers are currently paying this revenue.

Federal Fishing Revenue: The DNR receives about \$7.90 in federal reimbursement for each license sold. For the approximate 5,600 anglers that turn 65 in 2008 and who purchase a fishing license, the DNR would receive an additional \$7.90 per license, for a total of \$44,240. In 2009, the DNR would receive \$44,240 from the first contingent that turned 65 in 2008 as well as \$44,240 from the second contingent that turned 65 in 2009, for a total of \$88,480. In 2010, the total would increase to \$132,720, with the 2011 total at \$177,140. (Agents that sell the license may retain \$0.75 for each license sold, which would decrease the above estimate by a minimal amount.)

Other States: Four surrounding states have senior fishing licenses: Michigan (\$11.20); Illinois (\$6.75); Kentucky (\$5); and Ohio (\$10).

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DNR.

Local Agencies Affected:

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